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USDOC FOR 532/OEA/M. NICKSON-D/JAY HATFIELD USDOC FOR 3131/USFCS/OIO/ANESA/KREISSL USDOC FOR 4530/MAC/ANESA/OSA ICE HQ FOR STRATEGIC INVESTIGATIONS STATE FOR EB/ESP

E.O. 12958: N/A

TAGS: ETTC ETRD BEXP IN

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: BHARTI AIRTEL LTD., NEW DELHI, LICENSE NO. D380688

REF: USDOC 07247

- 11. Unauthorized disclosure of the information provided below is prohibited by Section 12(c) of the Export Administration Act.
- 12. Export Control Officer (ECO) Paul Cushman and BIS FSN Prem Narayan conducted a Pre-license Check (PLC) at Bharti Airtel Ltd. (BAL), New Delhi, on August 13, 2007.
- 13. BIS requested a PLC at BAL, a private sector company located at 234 Okhla Industrial Estate III, New Delhi 110020, Tel: 91-11-4161-5050, Fax: 91-11-4171-1050, Email: jp.singh@bharti.com, website: www.airtelworld.com. BAL was listed as the ultimate consignee for one Time Cesium 4400 clock controlled under ECCN 3A002. The license applicant was Symmetricom, Inc. (Symmetricom), San Jose, CA.
- ¶3. ECO and FSN Narayan met with J.P. Singh (Singh), Purchase Head, BAL.
- 14. Singh explained that BAL had previously purchased a DCD Cesium Clock from Symmetricom which was installed at its Chennai facility. The cesium tube in the unit malfunctioned twice. On both occasions, the cesium unit was sent to Symmetricom for repair. The cesium tube malfunctioned a third time and was again sent to Symmetricom. On this occasion, it was determined the device could not be repaired. Singh stated that the cesium tubes are generally considered rugged and come with a 10-year warranty. As the cesium clock was still under warranty, Symmetricom agreed to replace it. However, they no longer manufacture this particular cesium clock. So, BAL agreed to accept Symmetricom's newest model and cover the difference in cost between the original and the replacement.
- 15. To support the proposed transaction, BAL provided copies of correspondence between BAL and Symmetricom, BAL purchase order for the cost difference, BAL End User Statement, and Form BXA-711. The documentation supplied to BIS indicated the part and serial number of the older cesium clock as 9904310004 and 53536 respectively. Singh stated that Symmetricom would destroy the original clock.
- 16. Singh stated that the cesium clock would be used to synchronize all of BAL's telecom networking equipment. BAL's brand name is Airtel which is the largest cellular network in India. The clock will generate the accurate reference signal for distribution to the network. He stated that using a reference clock with a high degree of accuracy minimizes the jitter and increases the efficiency of a telecom network. Currently, the BAL Chennai facility is piggybacking on the cesium clock operating at its Mumbai facility.

- ¶7. All BAL purchases are processed through the BAL Delhi office. Singh stated that the equipment will be shipped to the BAL Delhi office and then forwarded to its Chennai facility.
- 18. BAL, established in 2001, is an associate company of Bharti Enterprises, a leading telecom services provider in India. BAL is the only operator to provide mobile services in all 23 geographic circles in India with an aggregate of 14.42 million clients. BAL also provides fixed-line telephone services and Internet access over DSL in 14 out of 23 circles. BAL complements its mobile, broadband and telephone services with national and international long distance services. BAL also has a submarine cable landing station at Chennai, which connects to Singapore. BAL provides end-to-end data and enterprise services to corporate clients by leveraging its nation-wide fiber optic backbone, last mile connectivity in fixed-line and mobile circles, VSATs, ISP and international bandwidth access through gateways and landing stations. BAL's clients include the Indian public, GOI agencies, as well as public and private sector companies. The BAL Chennai facility employs approximately 1,000 personnel.
- ¶9. Recommendation: All indications are that the listed commodity will used in accordance with the terms of the export license and that Bharti Airtel Ltd. appears to be a reliable recipient of the Symmetricom sensitive U.S.-origin technology for this transaction. WHITE